H-4911.1

SUBSTITUTE HOUSE BILL 2384

State of Washington 58th Legislature 2004 Regular Session

By House Committee on Local Government (originally sponsored by Representatives Schindler, Romero, Cooper, Sump, Kristiansen, Linville, Pearson, G. Simpson, Cox, O'Brien, Chase, Roach, Miloscia, Mielke, Boldt and Ormsby)

READ FIRST TIME 02/06/04.

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- 1 AN ACT Relating to city assumption of water-sewer districts; adding
- 2 a new section to chapter 35.13A RCW; and declaring an emergency.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- MEW SECTION. **Sec. 1.** A new section is added to chapter 35.13A RCW to read as follows:
 - (1) A city may not assume, under this chapter, the jurisdiction of all or part of a water-sewer district serving a population greater than one thousand residents and containing, within its boundaries, the territory of two or more cities, or one city and unincorporated territory, unless voters of the entire water-sewer district approve a ballot proposition authorizing the assumption under general election law. The cost of the election shall be borne by the city seeking approval to assume jurisdiction of a water-sewer district.
 - (2) A city or town may assume jurisdiction over a water-sewer district located within its boundaries without seeking approval of the voters, as required under subsection (1) of this section, if the board of commissioners of the water-sewer district consent to the assumption of jurisdiction by the city or town. The feasibility study required

p. 1 SHB 2384

under subsection (3) of this section is not required if the board of commissioners of the water-sewer district consents to the assumption of jurisdiction by the city or town.

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- (3) Following the passage of a resolution by a city or town to assume all or part of a special purpose water-sewer district under this chapter, a feasibility study of such assumption shall be conducted, unless the board of commissioners of the water-sewer district consent to the assumption of jurisdiction by the city or town as provided under subsection (2) of this section. The study will be jointly and equally funded by the city and the district through a mutually agreed contract with a qualified independent consultant with professional expertise involving public water and sewer systems. The study shall address the impact of the proposed assumption on both the city and district. Issues to be considered shall be mutually agreed to by the city and the district and shall include, but not be limited to, engineering and operational impacts, costs of the assumption to the city and the district including potential impacts on future water-sewer rates, bond ratings and future borrowing costs, status of existing water rights, and other issues jointly agreed to. The findings of the joint study shall be presented as a public record that is available to the registered voters of the district, both within and without the boundary of the city conducting the assumption, prior to a vote on the proposed assumption by all the voters in the district. The study shall be completed within six months of the passage of the resolution to assume the district. No vote shall take place until such study has been completed and the results have been made available to the registered voters of the district.
- (4) This section is applicable to assumptions of jurisdiction of water-sewer districts by cities or towns that have been initiated prior to the effective date of this act and which are pending as of that date, as well as those assumptions of jurisdiction that are initiated on or after the effective date of this act.
- (5) Once the voters in a water-sewer district have made the decision to approve or disapprove an assumption through the ballot proposition process required under subsection (1) of this section, a boundary review board does not have jurisdiction, under chapter 36.93 RCW, to conduct a review of such assumption where the attempted or completed assumption involves not more than one city.

SHB 2384 p. 2

<u>NEW SECTION.</u> **Sec. 2.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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p. 3 SHB 2384